

**A CALLED MEETING**  
**GEORGIA STATE FINANCING AND INVESTMENT COMMISSION**  
**September 15, 2011**

The Georgia State Financing and Investment Commission held its Called Meeting in the Office of the Governor, Room Number 107 of the State Capitol, Atlanta, Georgia. The following persons were present: Governor Nathan Deal, Chairman and Chief Executive Officer, presiding; State Auditor Russell W. Hinton, Secretary and Treasurer; Speaker of the House David Ralston; Attorney General Samuel S. Olens; and Commissioner of Agriculture Gary W. Black, Members; Chief of Staff Chris Riley and Transportation Advisor Toby Carr of the Office of the Governor; Debbie Dlugolenski, Chief Financial Officer for the Office of the Governor and Director of the Office of Planning and Budget; Denise Whiting-Pack, Wright Banks and Lisa Javorka of the Attorney General's Office; Executive Director Frank Poe and Kevin Duvall of the Georgia World Congress Center; Executive Director Kevin Clark and Greg Mason of the Georgia Environmental Finance Authority; Interim Commissioner Keith Golden, Gerald Ross and Matt Cline of the Georgia Department of Transportation; Executive Director Gena Evans, Chris Tomlinson and Malika Wilkins of the State Road and Tollway Authority; Francois Wasselian of ACS; Frank Harschar, Consultant; Attorney and former State Representative Henrietta Turnquest; Ariel Hart of the Atlanta Journal Constitution; Troy Richards of the Georgia Building Authority; Director Susan Hart Ridley, Lee McElhannon and Kelly Zurbrugg of the Financing and Investment Division of the Commission; Deputy State Properties Officer and Deputy Director of the Construction Marvin Woodward, Angela Gunter, April King and Katy Pando of the Construction Division of the Commission; Steven L. Stancil, Construction Division Director and Executive Secretary of the Commission; and others.

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**CALL TO ORDER AND MINUTES OF PREVIOUS MEETING**

2. Chairman and Chief Executive Officer Governor Nathan Deal called the meeting to order at approximately 2:00 P.M. State Auditor Russell W. Hinton, Secretary and Treasurer; Speaker of the House David Ralston; Attorney General Samuel S. Olens; and Commissioner of Agriculture Gary W. Black, Members attended the meeting by conference call. Denise Whiting-Pack of the Attorney General's Office also joined the meeting by conference call. Speaker of the House David Ralston joined the meeting after the vote to approve the meeting minutes of the previous two meetings. Attorney General Samuel S. Olens joined the meeting during the discussion of the Georgia Department of Transportation and the State Road and Tollway Authority's request prior to the decision to table the request. It was noted that a quorum was present. Each member present was provided with a Briefing Book. The minutes of the previous two Commission meetings held on June 21, 2011 and June 22, 2011 were approved without reading pursuant to an announcement that distribution of the minutes were provided to all members of the Commission prior to the current meeting.

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**REQUEST OF THE GEORGIA WORLD CONGRESS CENTER AUTHORITY SEEKING APPROVAL BY RESOLUTION TO ENGAGE A SENIOR MANAGING UNDERWRITER AND FOR OTHER PURPOSES**

3. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Georgia World Congress Center Authority.

4. Ms. Ridley recalled that in the June 21, 2011 Commission meeting, the Commission authorized the Georgia World Congress Center together with the Financing and Investment Division of the Georgia State Financing and Investment Commission to release requests for proposals to secure services of a senior managing underwriter for future potential issues of hotel/motel tax revenue bonds for either renovations to the Georgia Dome or for a successor stadium.

5. Ms. Ridley informed the Commission that eleven responses were received to the request for proposals and three candidates were interviewed. The Georgia World Congress Center together with staff of the Commission and the State's independent financial advisor Public Resources Advisory Group, Inc. ("PRAG") recommended that Citigroup serve as the senior managing underwriter. The Board of the Georgia

World Congress Center Authority previously adopted a resolution to request that the Commission approve their request that Citigroup serve in the capacity of senior managing underwriter. Executive Director of the Georgia World Congress Center Frank Poe is present in the meeting and is available to answer any questions the Commission may have.

6. Chairman and Chief Executive Officer Governor Nathan Deal asked Mr. Poe if he would like to add any additional information towards the explanation of the request. Mr. Poe stated not at this time, however, he wanted to note that this is a critical element for the Georgia World Congress Center because of the discussions with the Atlanta Falcons in regards to the successor stadium.

7. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of Georgia World Congress Center Authority:

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 15, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 9X15-1/11.*

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**REQUEST OF THE GEORGIA ENVIRONMENTAL FINANCE AUTHORITY SEEKING APPROVAL BY RESOLUTION OF ALLOCATION OF QUALIFIED ENERGY CONSERVATION BONDS, APPROVAL OF THE STATE'S GREEN COMMUNITY PROGRAM, AND FOR OTHER PURPOSES**

8. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Georgia Environmental Finance Authority.

9. Ms. Ridley informed the Commission that the Georgia Environmental Finance Authority is the agency that the Georgia State Financing and Investment Commission partners with in respect to the allocation of the qualified energy conservation bonds. This bond program was authorized in 2009 by the stimulus bill.

10. Last year the Georgia Environmental Finance Authority conducted an application process requesting applicants to submit projects for qualified energy conservation projects.

11. The board of the Georgia Environmental Finance Authority recommends the allocation of \$16,934,855.10 be made to the Fulton County Development Authority for an energy reclamation project. The

project will consist of transforming methane from the Hickory Ridge Landfill in South Fulton County to electricity for use by Coca-Cola in their bottling plant.

12. Georgia Environmental Finance Authority is presently seeking the approval of the allocation to Fulton County for this project, as well as, the Commission's approval of a Green Community Program. The Green Community Program establishes eligibility for the future allocation of approximately \$39 million in bonding authority or contract authority for energy related contracts.

13. Executive Director of the Georgia Environmental Finance Authority Kevin Clark is present in the meeting and is available to answer any questions the Commission may have.

14. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of the Georgia Environmental Finance Authority:

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 15, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 9X15-2/11.*

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**REQUEST OF THE GEORGIA DEPARTMENT OF TRANSPORTATION AND THE STATE ROAD AND TOLLWAY AUTHORITY TO CONSIDER A FUTURE REQUEST OF THE STATE ROAD AND TOLLWAY AUTHORITY REGARDING THE ISSUANCE OF UP TO \$100 MILLION IN FEDERAL HIGHWAY GRANT ANTICIPATION REVENUE BONDS AND UP TO \$10 MILLION IN TOLL REVENUE BONDS FOR THE NORTHWEST CORRIDOR MANAGED LANES PROJECT, AND FOR OTHER PURPOSES**

15. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Georgia Department of Transportation and the State Road and Tollway Authority.

16. Ms. Ridley informed the Commission that earlier today the Georgia Department of Transportation and the State Road and Tollway Authority voted to adopt a joint project resolution to initiate the North by Northwest Managed Lanes project. This is a Public-Private-Partnership project and procurement has been underway for quite some time. The department is ready to issue its final request for proposal pursuant to a commitment from the U.S. Department of Transportation to allow the Georgia Department of Transportation

to apply for a TIFIA loan up to \$270 million. Both the Georgia Department of Transportation and the State Road and Tollway Authority have agreed to a public funds contribution not to exceed \$300 million.

17. The component of the \$300 million is made up of two funding groups: 1) the first \$200 million of public funds will be derived from the State Transportation Improvement Plan and represents cash from the Department's budget and 2) up to \$100 million in GARVEE bonds which will be issued by the State Road and Tollway Authority. In addition under the State law, the State Road and Tollway Authority must have toll revenue bonds outstanding on this project in order for tolls to be charged. Prior to service commencement, the State Road and Tollway Authority will come before the Commission to seek approval of the issuance of the final amount of GARVEE bonds up to the maximum of \$100 million and up to \$10 million in Toll Revenue Bonds.

18. Interim Commissioner of the Department of Transportation Keith Golden, as well as, Executive Director of the State Road and Tollway Authority Gena Evans are present in the meeting and are available to answer any questions the Commission may have.

19. Chairman and Chief Executive Officer Governor Deal asked is this a 50 year proposition with a possible 10 year extension. Counsel for the State Road and Tollway Authority Chris Tomlinson responded yes, that is correct.

20. Chairman and Chief Executive Officer Governor Deal also asked at what point will there be adequate language to make sure, in the event the State of Georgia wishes to do something different to augment traffic flow in this corridor, that we do not have a conflict with the private entity with whom this agreement is being entered. He indicated it may be possible that two additional lanes will not satisfy the demands of traffic for the next fifty years in this corridor. Chairman and Chief Executive Officer Governor Deal asked if we are assured that the non-competition language in the agreement is not going to be so broad that it will prohibit the State of Georgia, the Georgia Department of Transportation or any other entities from adding other additional lanes without a plan being made or such action would violate the terms with this agreement with the private entity?

21. Mr. Tomlinson responded that in the various contract documents there is a provision to deal with those types of non-competing facilities. Essentially, anything that the department has identified in its long range plans should stand for into the future. It is an unconstrained plan into the future of over 20 years. Since this is an unconstrained plan, the department is working with the Metropolitan Planning Organization (ARC) who has listed pretty much every conceivable project that they could think of. Any of those projects, if they are ever funded and built, will not cause a conflict. With this said, the department has free rein to ensure that anything that anyone can conceive of today can be built and any developer who is awarded this contract cannot bring a claim that this is a competing facility.

22. Chairman and Chief Executive Officer Governor Deal stated Mr. Tomlinson informed the Commission that the long range plans were out to 20 years, however, this is a 50 year time span on the agreement. Are we locked in on what we anticipate at 20 years of that 50 year time span? Mr. Tomlinson responded by saying with in opinion, he did not believe so. For the long range plans that goes out 20 years, he believes the key is that this is physically unconstrained. At this point, even with the 20 years, it is everything the transportation community can conceive of. Mr. Gerald Ross of the Georgia Department of Transportation stated he could explain further by saying that basically it includes 20 year planning but the funding will take a lot longer than 20 years. A linear of projects will take 40 years or so to actually implement.

23. Chairman and Chief Executive Officer Governor Deal asked now that the contracts that have this language in regards to non-compete, etc.; have those contracts already been drafted or will they be drafted in the future? Mr. Tomlinson responded that the contracts have been drafted and the language does exist today.

24. Chairman and Chief Executive Officer Governor Deal stated that his concern is suppose that the State of Georgia does need to build its own toll road in this corridor, could we be conceivably in violation of this agreement if the tolls that we set on our lanes are less than the tolls that are going to be set on this project. Mr. Tomlinson responded if the State of Georgia was to look at developing another toll road in this corridor, he would say anything within this project's right-of-way which by definition is a more narrow definition. The State of Georgia could not do something like that if it was not in the long range plans. If the

State of Georgia does something outside the project footprint that conceivably would be fine but either way the burden would be on the developer to prove that this is somehow detracted from its traffic and revenue projections. At this point, we think that we have adequately addressed the risk with the contract language and that coupled with the Commission with the long range plan that has led us, at least at the staff level, to believe that we have adequately addressed the risk of a competing facility.

25. Chairman and Chief Executive Officer Governor Deal stated if the contract language is already drafted and if by reference adopts the State of Georgia's long range plan from the Georgia Department of Transportation, we are both locked into the contract language and by reference of the long range plan that is currently in place by Georgia Department of Transportation. Is that correct? Executive Director Gena Evans of the State Road and Tollway Authority and Mr. Tomlinson in unison stated yes. Chairman and Chief Executive Officer Governor Deal said we could not amend the State of Georgia's long range plan to add additional projects in the corridor without being in violation. Mr. Tomlinson said that's correct. In his opinion, if we were to add additional plans, the longest plan will continue to fall. However, in reference to this contract, once the contract is signed without the consent of that developer, we could not do that.

26. Chairman and Chief Executive Officer Governor Deal asked if any of the other members have any concerns in regards to the information provided by the Georgia Department of Transportation and the State Road and Tollway Authority. Commissioner of Agriculture Gary W. Black, attending by conference call, asked if the answer to the Chairman and Chief Executive Officer Governor Deal's original question was yes. The Chairman and Chief Executive Officer Governor Deal stated it was yes.

27. Attorney General Samuel S. Olens, also attending the meeting by conference call, asked that if the original contract has been drafted, to what legal effects is that if we are not at the stage where someone will be signing it. Mr. Tomlinson responded the language is drafted and will be released as part of the request for proposals. The intention was that the three proposers have every opportunity to review the language, and the terms and conditions. They will be given an opportunity to notify the State of Georgia of any problems or objections to the language. There has already been an interim process where they have already been able to see the language as well as our attorneys who drafted that language; which adequately protects the State of

Georgia. Attorney General Olens informed that is the legal answer per say - sharing the information with them.

Since the request for proposals has not gone out, how big of a problem would it be to literally add to the draft language a level of service addition? Mr. Tomlinson responded by stating that changing and/or adding additional language would probably be an issue for the developers at this time but there is an amendment process. The request for proposals is going out and it is possible to do amendments, if necessary, initiated by the department or by the proposers.

28. Chairman and Chief Executive Officer Governor Deal asked if it does not require that the proposers sign off on our proposed amendments. Mr. Tomlinson responded yes, that is correct.

29. Chairman and Chief Executive Officer Governor Deal then asked can we do it unilaterally. Mr. Tomlinson agreed; it can be done unilaterally.

30. When references are made to our lawyers drafting the contract, Chairman and Chief Executive Officer Governor Deal asked who are you referring to since Attorney General Olens is asking this question. Attorney General Olens responded that he presumed the lawyers are lawyers working for the Georgia Department of Transportation and the State Road and Tollway Authority along with the assistance of the lawyers from his office.

31. Attorney General Olens asked a question in regards to the level of service and Mr. Gerald Ross of the Georgia Department of Transportation responded to the question by asking if he was speaking of the level of service of the general purpose lane for I-75 as opposed to the managed lanes project. Attorney General Olens responded yes, that is correct.

32. Mr. Ross responded by saying he believes the premises of the project itself is about the level of service on the general purpose lane being at a point that requires a dually managed project that relieves traffic. With this said, if we had something where we were reducing the level of service in the general purpose lane there will not be a need to do the managed lane system. This is where further discussions will be needed to be held to discuss the impact of the concessionaire's project.

33. Attorney General Olens stated I understand why we are doing the P3 Program now for level of service in and out lanes but what about 15 years from now. Why are we doing the P3 Program if the roadways'



level of service are "F", clearly the two added lanes have not done their job from a long term perspective. Should that not make a difference down the road? Mr. Tomlinson responding that the department is going to be closely monitoring levels of service both for the new lanes as well as the general purpose lane. With his familiarity, there has been a lot of discussion about the level of service performance for the tolled lanes to make sure that motorists are getting value from this request, if approved. However, he cannot speak to consideration looking 10, 15, 20 years down the line as far as the level of performances on the existing I-75 roadway.

34. Chairman and Chief Executive Officer Governor Deal asked if there were any more questions. Commissioner of Agriculture Black stated after hearing the concerns of Attorney General Olen in regards to the importance of the request and so many questions being asked with the members not being present and attending the meeting by conference call; he would be more comfortable with the members meeting face-to-face before voting on this agenda item. However, he would yield to the Commission's desire to move forward if the Commission wishes to do so.

35. Chairman and Chief Executive Officer Governor Deal asked if there was anyone else other than Attorney General Olen and Commissioner of Agriculture Black on the phone line that has any comments. State Auditor Russell W. Hinton stated he would like a clearer explanation prior to voting on this agenda item.

36. Chairman and Chief Executive Officer Governor Deal stated he believes there should be an entertainment to table the request until all questions have been answered. The questions should be answered as quickly as possible and then reconvene the board when adequate answers have been provided.

37. With no further discussion, a motion was made, seconded and passed unanimously by all members present to table the agenda for the Georgia Department of Transportation and State Road and Tollway Authority until a later date.

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**REQUEST OF THE FINANCING AND INVESTMENT DIVISION OF THE GEORGIA STATE FINANCING AND INVESTMENT COMMISSION SEEKING APPROVAL BY RESOLUTION TO APPROVE THE ALLOCATION OF QUALIFIED SCHOOL CONSTRUCTION BONDS**

38. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Financing and Investment Division of the Georgia State Financing and Investment Commission.

39. Ms. Ridley informed the Commission that the Financing and Investment Division of the Georgia State Financing and Investment Commission requests the allocation of \$50 million of the remaining qualified school construction bonds to the State of Georgia for purposes of the K-12 general obligation bond appropriation for Fiscal Year 2013. The qualified school construction bonds are also ARRA and stimulus authorized which provides a 100% interest rate subsidy to the State of Georgia. This resolution also approves the administrative allocation; including an allocation to the City of Jefferson for the sum of \$2.2 million.

40. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of the Financing and Investment Division of the Georgia State Financing and Investment Commission:

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 15, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 9X15-3/11.*

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**REQUEST OF THE GEORGIA STATE FINANCING AND INVESTMENT COMMISSION SEEKING APPROVAL BY RESOLUTION OF THE ALLOCATION OF COMMISSION FUNDS FOR THE CONSTRUCTION OF A PARKING DECK AND FOR OTHER PURPOSES**

41. Chairman and Chief Executive Officer Governor Nathan Deal called on Steve Stancil to present the request on behalf of the Georgia State Financing and Investment Commission.

42. Mr. Stancil informed the Commission that the Georgia State Financing and Investment Commission is seeking approval to use the unique one time Build America Bond interest along with some monies received from a lawsuit on the Cook Building located in Milledgeville. It is believed there will be \$20.6 million worth of interest and \$5 million from the settlement; totaling \$25.6 million to build the 1,238

space parking deck in the vacant space where the old Georgia Department of Transportation building was located.

43. Chairman and Chief Executive Officer Governor Deal asked when do you believe the construction will begin if the request is approved. Mr. Stancil responded by saying if approved, the request for proposals will be issued tomorrow. Upon completion of the request for proposals process; the project will be put out to bid. Construction is estimated to start in February or March 2012.

44. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of the Georgia State Financing and Investment Commission:

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 15, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 9X15-4/11.*

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**REQUEST OF THE GEORGIA STATE FINANCING AND INVESTMENT COMMISSION  
SEEKING APPROVAL BY RESOLUTION OF THE FUND BALANCE POLICY**

45. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Financing and Investment Division of the Georgia State Financing and Investment Commission.

46. Ms. Ridley informed the Commission that the Fund Balance Policy was drafted by staff of the Commission along with the consultation of State Auditor Russell W. Hinton, Secretary and Treasurer. The policy aligns the Commission's Financial Statements with a new GASB rule – Government Accounting Standards Board Policy Statement Number 54. In addition, this policy simply provides for the designation of fund balances within the Commission's Financial Statements, and provides the ability to assign and commit those fund balances. Ms. Ridley informed the Commission that she has met and gone over the details of these policies with each of the members.

47. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of the Financing and Investment Division of the Georgia State Financing and Investment Commission:

*NOTE: The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of September 15, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 9X15-5/11.*

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**REQUEST OF THE FINANCING AND INVESTMENT DIVISION OF THE GEORGIA STATE FINANCING AND INVESTMENT COMMISSION TO PRESENT THE FY'2011 SPEND-DOWN REPORT FOR INFORMATIONAL PURPOSES**

48. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Financing and Investment Division of the Georgia State Financing and Investment Commission.

49. Ms. Ridley informed the Commission, in accordance with our policy, we are providing a report on the progress that agencies have made in spending their general obligation bond proceeds in compliance with the Commission's spend-down policy requirements which are consistent with Federal IRS requirements. The requirements state that agencies are to spend a minimum of 5% within six months after receiving their bond proceeds; 85% within three years and 100% within 5 years. Most agencies spend their bond proceeds much faster than the requirements. Over the past several years, some progress has been made however improvements can be made in the future. The agencies are working with us on to ensure that these projects move in a timely fashion.

50. Chairman and Chief Executive Officer Governor Deal asked if there were any questions or comments. There were no questions or comments.

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**NEW BUSINESS**

51. Chairman and Chief Executive Officer, Governor Nathan Deal asked if there was any new business for discussion. No one responded in the affirmative to his question.

52. In regards to the tabled agenda item for the Georgia Department of Transportation and the State Road and Tollway Authority, Chairman and Chief Executive Officer, Governor Deal asked that there be an attempt made by the department to gather all information and for board members to submit any questions that remain. It is proposed that the Commission reconvene on Monday, September 19, 2011 so that the tabled agenda item can be considered at that time.

53. Commissioner of Agriculture Gary W. Black stated that he would feel much more comfortable in voting on a matter as important as this one is to the State of Georgia if each member was personally present. Chairman and Chief Executive Officer, Governor Deal agreed to this statement and informed all that his office will be in contact with a time for Monday's meeting.

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**ADJOURNMENT**

54. With no further business and upon a motion made, seconded, and unanimously adopted, the Chairman and Chief Executive Officer declared the meeting adjourned at approximately 2:27 P.M.



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STEVEN L. STANCIL, EXECUTIVE SECRETARY



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GOVERNOR